

Norfolk Quick Facts, 1998

Local Passengers: 2.57 million

Average Fare: \$196

Average Nonstop Trip Length: 931 miles

When compared to other national markets of similar distance and density, Norfolk has a fare premium of 6%. Norfolk Regional Airport does not have any low-fare service. However, Airtran does serve Newport News/Williamsburg, located approximately 25 miles from Norfolk Regional. Norfolk has benefited from Airtran's presence in the Newport News market.

Norfolk had nine markets in the nation's top 1,000 in the first quarter of 1999. Those nine markets had an average yield of 21 cents/mile. Out of 81 cities with a significant number of passengers travelling in top 1,000 markets, Norfolk's yield ranked 26th from the highest.

How Does Norfolk Benefit from Airtran Service to Newport News?

Low-fare service can have a positive effect not only on fares to and from the airport actually being served by the low-fare carrier, but also on the fares at nearby substitute airports. For example, Airtran began serving Atlanta – Newport News in the 3rd qtr of 1995. While the more dramatic change took place between Atlanta and Newport News, passengers in the Atlanta- Norfolk market also benefited greatly from more competitive fares. Between 1992 and 1998, passengers nearly doubled between Atlanta and Norfolk, while average fares dropped by 42%. The attached table shows the change that has taken place in passenger and fare levels in a handful of large Norfolk markets since Airtran entered the comparable Newport News market.

Destination	Newport News to:							Norfolk to:						
	1992		1998		% change in			1992		1998		% change in		
	Passengers	Average Fare	Passengers	Average Fare	Passengers	Fare		Passengers	Average Fare	Passengers	Average Fare	Passengers	Fare	
Atlanta	3,880	\$ 169	67,070	\$ 88	1629%	-48%		85,000	\$ 203	162,410	\$ 118	91%	-42%	
Chicago	7,190	\$ 178	11,820	\$ 159	64%	-11%		86,500	\$ 172	95,900	\$ 223	11%	30%	
Dallas	4,180	\$ 203	10,780	\$ 154	158%	-24%		56,660	\$ 221	77,610	\$ 194	37%	-12%	
Houston	3,020	\$ 198	8,450	\$ 152	180%	-23%		31,310	\$ 195	46,300	\$ 191	48%	-2%	
Jacksonville, FL	2,590	\$ 136	6,770	\$ 143	161%	5%		30,110	\$ 178	47,500	\$ 144	58%	-19%	
Orlando	5,530	\$ 153	19,480	\$ 116	252%	-24%		38,860	\$ 164	74,820	\$ 125	93%	-24%	
Tampa	4,350	\$ 171	8,800	\$ 137	102%	-20%		26,110	\$ 180	43,130	\$ 149	65%	-17%	